

issue, starts talking about crime and violence in the communities. There are a lot of issues involved in this whole question of welfare. But I say to my colleagues once again, welfare does not stand alone in a vacuum. It is only a response to a larger issue, which is poverty, child poverty.

Our Nation has tried different approaches to the issue of dealing with child poverty and destitute children, and now we are about to try another one. We are about to try the "ending of welfare as we know it." Well, Mr. President, it is just like anything else. We all know, for example, that we are going to die, but most of us have the sense to go ahead and get an insurance policy anyway.

The fact of the matter is that this is going to change. Will we have an insurance policy for children? I submit that we should. I hope that my colleagues will agree with me, and I urge your support for the child voucher amendment.

I ask for the yeas and nays.

Mr. President, before I do, Senator LIEBERMAN has requested to be added as a cosponsor on the child voucher amendment. I ask unanimous consent that he be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Ms. MOSELEY-BRAUN. Also, Mr. President, I ask unanimous consent that Senators MURRAY and MIKULSKI be added as cosponsors to the child voucher amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Ms. MOSELEY-BRAUN. And I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been ordered on the child voucher amendment.

Ms. MOSELEY-BRAUN. Mr. President, I understand we will stack the votes on these amendments; therefore, I want to move on to the second amendment in this series and get that resolved as well.

Mr. DOLE. Mr. President, I ask unanimous consent to speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader.

#### THE WAR ON DRUGS

Mr. DOLE. Mr. President, earlier today, the Department of Health and Human Services released the results of its 1994 National Household Survey on Drug Abuse. According to the survey, marijuana use among teenagers has nearly doubled since 1992, after 13 straight years of decline.

This troubling fact confirms what we already know: Today, our children are

smoking more dope, smoking and snorting more cocaine, and smoking and shooting up more heroin than at any time in recent memory.

Unfortunately, while drug use has gone up during the past 2½ years, the Clinton administration has sat on the sidelines, transforming the war on drugs into a full-scale retreat.

The President has abandoned the moral bully pulpit, cut the staff at the drug Czar's office by nearly 80 percent, and appointed a surgeon general who believes the best way to fight illegal drugs is to legalize them. He has presided over an administration that has de-emphasized the interdiction effort, allowed the number of Federal drug prosecutions to decline, and overseen a source-country effort that the General Accounting Office describes as badly managed and poorly coordinated.

Mr. President, illegal drug use declined throughout the 1980's and early 1990's, so we know how to turn this dangerous problem around. It means sending a clear and unmistakable cultural message that drug use is wrong, stupid, and life-threatening. It means beefing up our interdiction and drug enforcement efforts. It means strengthening our work in the source countries by making clear that good relations with the United States require serious efforts to stop drug exports.

And, yes, it means leadership at the top, starting with the President of the United States.

Today's survey is yet another warning for America. We must renew our commitment to the war on drugs, with or without President Clinton as an ally.

I yield the floor.

#### FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2472

The PRESIDING OFFICER. Amendment 2472 is now pending.

Ms. MOSELEY-BRAUN. Mr. President, this is kind of an interesting place to pick up, following the child voucher amendment. This, again, is separate and distinct from that. If anything, the child voucher amendment really is the most important in terms of the children.

This next amendment goes to the adults. What do we do about the parents? In that regard, as we know the underlying legislation calls for States to provide work experience, assistance in finding employment and other work preparation activities, section 402(A)(2) of the bill.

One of the uncertainties in the legislation, uncertainties that CBO spoke to, that many of the speakers on this issue have noted, is that the States have not yet geared up to do this. Only a few will be ready to move forward.

We have the example of Wisconsin. I understand in a couple of counties there they have already moved to a work assistance kind of program, an

initiative. Other States have tried it. Under the Family Support Act, those kinds of work-training experiments and initiatives are encouraged.

The point is that a lot of States have not yet moved to that. The question is whether or not the States will actually do so, whether they will actually move to employment training, work preparation, work experience, assistance in finding employment for individuals. Again, the CBO estimates that there is not enough funding in the bill to do that.

This legislation says that the State should not just kick somebody off of assistance—this is as to the adults, not the children, as to the adults—the States should not kick the adults off unless they have provided work assistance.

Now, HHS has estimated that under the leadership plan, some 2.9 million people would be required to participate in a work plan under the plan. That is fine. The point is that in terms of the number of dollars to meet that participation rate there is not enough, it is also estimated we need 161 percent more dollars than presently provided in the legislation.

Clearly, there is a dissonance, a gap in the interesting goal and our intent to provide work and job training assistance and our dollars that will flow to do so. We do not know how that will come out. It creates a great uncertainty.

It seems to me that, again, as a bottom line—as to the adults—we ought to make it clear that States should not just kick people off without providing them with some assistance.

I encourage my colleagues to take a good look at this. Again, we have the numbers from CBO regarding whether or not their respective States will be able to meet the work requirements and not have a penalty. Most of the States will not. It is estimated only 10 to 15 States already are geared up sufficiently to provide the kind of work assistance that the bill, the underlying legislation, calls for.

All this amendment says is that States must provide those services in terms of job assistance and the like if they are going to cut people off at a time certain, whether it is 5 years, 2 years, 1 year, 6 months, or whatever the time limit is.

Again, this State responsibility amendment, if anything, goes to providing the parents with some comfort level that in the event there are no jobs in their area, in the event the State has not been able to get them into some kind of gainful employment, that they will not thereby lose their ability to feed themselves and to provide for their children.

I point out, Mr. President, also that this amendment only requires that the States deliver the services to those recipients that the State decides need to have those services. That is not to say they have to provide everybody with

job training. The State can make decisions as to who has to go into job training or receive education.

We are not fooling with States' flexibility with this amendment. What we are saying in those instances, and there are instances where either there are no jobs or the State has not been able to figure out a way to get people transported to where the jobs are located, or, alternatively, the individual has been trained for a job but the job does not exist any longer, in the event that happens, they will not be denied assistance.

I think Mr. President, given the fact we have huge dissonances in our economy, again, this is a response to poverty this amendment is needed. It is not the answer to it but it is a start.

The answer to poverty, which is where the Senator from Pennsylvania and I are most in agreement, the answer to resolving poverty is to look at the underlying economic issues and to create an environment in which jobs get created, that people can go to and earn a sufficient living to support their families. That ought to be our objective, and I think that will be our objective as we take up these issues.

As we talk about what is our interim response to poverty, if welfare is that response, we ought to make certain that we do not wind up just throwing people over the edge of the Earth because we have failed to actually address the fundamental issue of economic dislocations.

Mr. President, I do not know if you were in committee—I know the Senator from Pennsylvania was there—the other day when we were talking about this. In my own State, there are areas of my State where there is 1 percent private employment. One percent private employment.

Mr. President, that is not a recession or depression. That is economic meltdown. If an individual lives in an area where there is 1 percent private employment, then the question becomes where, pray tell, are they going to work?

This chart shows areas of high unemployment in the city of Chicago specifically, but I was in southern Illinois just this weekend and the single biggest complaint and cry I heard there was about the huge unemployment and dislocations caused by closing of the coal mines. We had not gotten to the point of economic development there, to provide people with alternatives to working in the mines. In areas of the city of Chicago, there is a community with 72.3 percent poverty rate. Unemployment is 43.4 percent. Given the way we count unemployment numbers, that is only counting the people that have been in the job search for the last 6 months, so a lot of the people in this category have given up looking, so the numbers are even higher.

These numbers, Mr. President, again, these numbers in certain segments are even higher. Again, I point to what I thought was the most stunning, stun-

ning example, and that was the area that had 1 percent private employment.

Until we figure out how to get capital into those communities, until we figure out how to get jobs created in those communities, we will have to do something. I dare say the States will have to come up with transportation initiatives to move people out of their neighborhoods to neighborhoods where the jobs are or figure out some public service; they will have to work through these plans.

That is the whole import of this devolution of welfare, sending it to the States, is tell them, "You go figure this out."

As we do that, the question becomes, what about these individuals that get caught up and for whom there are no options? I dare say, Mr. President, we have an obligation to see to it that these individuals—and, again, every State has them, I have numbers even for the Presiding Officer's State—but as we go through this experiment, I do not think we have the luxury of being generous with the suffering of others, and that we want to really, really put ourselves in a position where people who want to work but cannot find work wind up with absolutely nothing and with no help from their State in helping them to do better and to do for themselves and to provide for themselves and their families.

With that, Mr. President, I ask for the yeas and nays on the second State responsibility amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, the Senator from Illinois knows how much I appreciate her efforts and how much she tries to do good here on the floor. Certainly, what she is talking about here is something that is very alluring and very tempting, if you do not care where the moneys are coming from, if you do not really care about trying to reach a position whereby we live within our means.

Under the Moseley-Braun amendment that is currently being debated, it prohibits the States from imposing a time limit if the States fail to provide job-related services, that is work experience, work preparation activities. So, if the State fails to do that, then the State cannot impose a time limit on how long a person has to get to work.

The things that can be said for this amendment, it seems to me, are that a State should not be able to cut recipients off without providing them training to become self-sufficient. And the second point would be the States will not be willing to spend money on recipients that need extensive services. At least that is the argument.

But when you look at the other side of the argument, that is, when you have to stop and think is this the right thing to do if we want to get spending under control, if we want to have a

true welfare reform, if we want everybody on a equal level, if we want a level playing field and everybody understands the rules and lives within them, then you have to look at the fact that this, some believe, and I am one of them, is a back-door attempt at continuing the entitlement.

Let us be honest about it. Entitlement programs have been eating the budget alive. They go on and on, up and up, without any controls, no ceilings, no lids, no nothing. Gradually, demand always outstrips supply when you make something free. That is just the way it is. It is human nature. People take advantage. And this would really allow an entitlement program to continue.

Second, it would create a new entitlement which requires States to provide services. One of the reasons we are doing this welfare reform bill is to try to end these escalating entitlement programs, to get spending under control, face our problems, but face them within an authorization process that says this is the limit to where we are going, we are not going to go beyond that. We are going to be fair, we are going to try to take care of people—we do not want anybody to be without a work life experience, we do not want to have people without appropriate training—but this is what we are going to spend this year. If we find that does not cut it, does not make it, we can always increase the authorization and appropriation to take care of it. But we do not need to create new entitlement programs which are programs that go on regardless of what Congress says. They keep going up and up and up as people take advantage of them.

The third point is this opens the States up to lawsuits from recipients who claim they do not get the type of training they want, rather than the type of training the State thinks they need. So any time a recipient or potential recipient feels he or she is not getting what they want, even though the State is providing job training and other forms of training and education, they can turn around and sue the State and say, "I am not getting what I want," and the State finds itself embroiled in litigation.

Ms. MOSELEY-BRAUN. Will the Senator yield?

Mr. HATCH. That is not the way it should work.

Ms. MOSELEY-BRAUN. Will the Senator from Utah yield?

Mr. HATCH. I will be happy to yield.

Ms. MOSELEY-BRAUN. This section of the bill, 402 of the legislation, refers to the State and the definition of the eligible State. It would be my understanding of the operation of law that here, this would not confer standing upon an individual to sue. This section of the bill relates to the State's obligations vis-a-vis its development of its plan. So this is not calling on the States to do anything but abide by its own plan. It would not, however, confer standing on an individual to sue with regard to enforcement of that plan.

Mr. HATCH. As I read it, it does; it is the failure of the State to provide work-related activity. The amendment reads:

The limitation described in paragraph (1) shall not apply to a family receiving assistance under this part if the State fails to provide the work experience, assistance in finding employment, and other work preparation activities and support services described in [this] section.

I contend that does give a right to sue to recipients.

Ms. MOSELEY-BRAUN. Again, this section amends lines 13 through 18 on page 25 of the bill which relates to State planning. Again, without debating—

Mr. HATCH. No, according to this amendment, it amends page 40 between lines 16 and 17.

Ms. MOSELEY-BRAUN. I am sorry, that is correct.

Mr. HATCH. If I go to page 40, amending section requirements and limitations and put this in between lines 16 and 17, the Senator provides for an entitlement. It seems to me the Senator provides for a means whereby people can bring litigation if they do not get their way. That just is not the way we can run the business here.

We have to presume that when we provide these funds, the States are going to utilize them properly and they are going to provide job training or work-related programs that work. What you do is make it another entitlement, which is what is eating our country alive.

Ms. MOSELEY-BRAUN. No, sir—will the Senator yield?

Mr. HATCH. Sure.

Ms. MOSELEY-BRAUN. Again, on page 43, lines 16 to 17, those sections refer to the development of the State plan, and the amendment says the limitation described in paragraph (1) shall not apply to a family if the State fails to provide work experience, assistance in finding employment, and other work preparation activities, support services described in section 402(a)(1)(A)(ii).

Again, the issue of standing is a different one. Whether we argue—we can debate the issue on the entitlement, whether or not this creates an entitlement. But on the issue of standing, I think for the record it is really important to make clear this is not allowing and it is not the intent of this sponsor to allow an individual cause of action, right of action under this section. It only goes to the development of the State's plan and administration of the plan.

Mr. HATCH. If you look at the way it is written, it certainly does. Frankly, that is one of the reasons—only one of the reasons—I think the amendment is inadvisable, even though I have to acknowledge I appreciate what the distinguished Senator is trying to do. But we just plain—I think the big argument is, this is another entitlement that continues to go on and on and escalate on and on, and to which there is no lid, there is no cap. It is a never-

ending type thing that just puts us into even more of a budgetary difficulty than we have been in before.

All of us want to help people who do not have the training. We know the way to get people off welfare is to get them trained; give them job training, give them the education, the vocational education and other things that will help them to become self-supporting, self-sufficient citizens.

But we want to get away from the entitlement approach, which just allows people to make ingenious arguments that they should have something that really the State has not provided or does not think it is advisable to provide. I do believe, if you read this carefully, it is subject to litigation.

But be that as it may, the fourth reason I would give as to why we really should not support this amendment is that this is similar to the Daschle bill, in that it says there is a time limit, but there are so many exemptions that there is not really a time limit.

The major exemption is this. It creates a loophole. Those who are deemed by the State as work ready can insist on going through job training and other services in order to avoid work in the private sector. That is one of the things that this amendment will do. And there are people who take advantage after advantage after advantage of the job training and other services, rather than having to go get a job in the private sector and work every day and do what they should do, support themselves and/or their families if they have a family.

Again, I have to say that I know what the distinguished Senator is doing. I know her heart is right. I know she is trying to do what is right. But it is a difference in philosophy.

We have had 60 years now of entitlement programs that have been eating the American public, the taxpayers, alive and not doing the job. They are not doing the job. In fact, they are doing a lousy job, and they are eating us alive, they are ruining the country. And now we are going to add another entitlement to this when we write a bill that literally will get job training and other related services to the people as they need it. And we have the States develop and administer these programs. The States are in a better position to do it than the Federal Government.

Just look at what entitlements have meant. We are talking about just AFDC spending. They are not all entitlements. From 1947 to 1995, in current dollars, we have gone since 1947 in AFDC spending from \$106 million—that is current dollars—to \$18 billion. And we are worse off today than we were then. That is a 17,000-percent increase, a lot of which is driven by the entitlement nature of a number of these programs.

If you use constant dollars, constant 1995 dollars, it would go from \$697 million in 1947 to \$18 billion. That is a 2,500-percent increase.

So, if you take current dollars, it is a 17,000-percent increase; constant dollars, based on 1995, would be a 2,500-percent increase.

Of course, the source of this is the Congressional Research Service of June 1995. It shows how these programs tend to run away if we do not write language in that requires the States to live within their means. In this particular case, this language would not require the States to live within their means. As a matter of fact, it allows the States and it allows the individuals to continue to run wild as we have in the past without any sense or protection to the taxpayers.

Everybody knows that in my whole career, 19 years here, I have worked hard for on-the-job training, the Job Corps, the whole bit. We now have over 150 job training programs in this country. Every time we turn around, we create another one. A lot of them are entitlements.

This welfare bill should try to consolidate some of these to reduce the entitlement nature of our legislative process and reduce the burden on the taxpayers. Frankly, we are a lot better off facing the music every year and having the States have to face the music within certain caps, albeit sometimes entitlement caps but nevertheless caps, and go on from there.

I encourage our fellow Senators to not vote for this amendment because I think it just continues business as usual. I have to admit it is well-intentioned but naturally it is bad. I commend my friend for her good intentions. But it still undermines the basic thrust of what we are trying to do here, getting spending under control while being compassionate, reasonable, and decent for people who need to get off welfare rolls and get on to the work rolls.

We think the exemption and the back-door loophole here really undermines what we are trying to do.

So I encourage folks to vote against this amendment as much as I appreciate and respect my friend from Illinois.

Can I just say one other thing about it? This amendment does not amend the State plan provisions. The State plan provisions are found in section 402. This amends section 405 following the minor child exemption and the hardship exemption.

So, as such, it is an entitlement, and, as such, it gives the right of litigation that would not otherwise be, that I talked about that lets the individuals second-guess the State. I know in some of the States there are lawsuits by recipients that do not get the type of training that they want rather than what the State thinks they should have. I think those are important points.

It is for the totality of those reasons why we should vote this amendment down.

I yield the floor.

The PRESIDING OFFICER (Mr. ABRAHAM). Who yields time?

Ms. MOSELEY-BRAUN. Mr. President, it is pretty clear certainly that it is a very difficult thing to argue with the chairman of the Judiciary Committee, a man for whom I have the highest regard and affection. And, quite frankly, I do not know if I would want to, but at this point I am going to have to respectfully disagree with my senior colleague, the chairman of the Judiciary Committee. As a lawyer I am reading the same language also.

Again, to the Senator from Utah, just on this point, I will make it and move on because there are other larger points to be made about this amendment.

Section 405 of the legislation referred to the State requirement, the State plan, and the time limitation. All that this amendment does is to call on the States to do what it says it is going to do in the plans. It does not create a private right of action. We could argue that until the cows come home and probably put everybody else to sleep who may be listening to this debate. But rather than do that, I would like to go on. But I did want to make the point that it is this Senator's intention and this Senator's reading of the law that it does not create a private right of action.

To move on, I think it is interesting to note that a lot of the debate and a lot of the argument against this amendment that I am hearing has to do with the word "entitlement" and what is an entitlement and what is not. I find a very curious kind of logic underlying the opposition which says we have failed to address and resolve the issue of poverty and employability of people. Therefore, we are going to give up. We are going to say we are out of the business. We are going to give it to the States, cap the amount of money they can spend on this stuff, and it is their problem. That, it seems to me, really kind of begs the question in terms of what are we going to do.

Assuming for a moment that the State plan has a job and work requirement, I do not think anybody here would argue that people who can work should work, that people who have the ability to go to work ought to do that, and that States ought to require them to do that. I do not think there is much argument there.

But assuming for a moment the State plan calls for work assistance and the State does not give that work assistance and then after whatever the time limit is—right now it is 5 years in the bill, and it may, not too long before this legislative process is over, change—but assuming for a moment that the time limit is met and the individual has gotten nothing, the State has not done what it is supposed to do under its own plan, that person then is not only denied subsistence but, more to the point, that individual's children are denied subsistence.

I mean let us talk about who the object is here. We have 5 million adults. Paint a picture of the people on welfare

in poverty in this country. Again, we have the numbers here regarding poverty in the United States. It is a number about which none of us should be proud. But in any event, we have some 14 million recipients, people on the welfare program, and 14.2 million give or take. Of that 14.2 million people, 9.6 million are children.

So we are going to construct all of this stuff to get to the parents, that the parents have to go to work, which, again, we are not arguing about that. But we are not going to give them any help.

The State plan says they should go to work and the States are going to help them. We just might not do that, and it would risk these 9 million children. You talk about putting the cart before the horse. You are hurting potentially—we do not know this to be the case. I hope, frankly, the most optimistic projection turns out to be true. I hope that every State plan works, and I hope that every State is able to find people jobs, and I hope that parents who are right now drug addicted, irresponsible, and ripping off the taxpayers turn around, straighten up, and fly right, do the right thing, and take care of their own children. That is what we all hope for.

But the question is, are we really going to allow for all those 10 million babies to be jeopardized, to be left with the potential of no subsistence at all because of the sense of the parents, or, worse yet, for the sense of the State in not helping the States, which the State says it wants to do?

That is what these two amendments are about. I mean, these are different amendments. That is kind of where it is.

Are we going to jeopardize the children? I think the bottom line is that we could have a consensus that children will not be hurt.

I point out that in fiscal year 1992—I think this is an important point—42 percent of the youngest children in these welfare families were under the age of 3.

So I would say to my colleague, if you are not going to support enforcing work training for their parents, at a minimum support an insurance policy for the kids; an insurance policy for children so that, worse come to worse, if all else fails, the State does not provide assistance for the work training or the family cap gets violated, the mother keeps having babies, whatever situation happens, at a minimum we have a safety net for children.

Now, is that an entitlement? Well, you may want to call it that, but it seems to me that one of the issues for our time is whether or not as a national community we have an obligation to provide for destitute children. We do not have the orphanages for them. We do not have the private sector options for them. We really do not have any mechanisms in place. It seems to me that we have an obligation at a very minimum to provide those

children with some options and, on the other hand, with regard to their parents, to provide the parents with some job training.

I submit to my colleagues, let us separate out—as we try to get at the 5 million parents, let us not jeopardize the 10 million kids.

And with that, I again yield to the Senator from Utah.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield to myself such time as I need.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, again, the major issue here is this is another entitlement program. I do not think the American people realize how many entitlement programs we have in the Federal Government as we exist right now. I am going to talk generally, and I think these figures are pretty accurate.

Today, in the Federal Government, there are approximately 410 entitlement programs—410. The bottom 400 will total about \$50 billion in spending. They are relatively small programs. Most of them are under \$10 billion each, although to me that is a fairly substantial program. But the bottom 400 are costing us \$50 billion and going up every year.

The top four entitlement programs currently in our country today—these are programs that automatically go up no matter what the Congress does. Year after year after year, this Congress basically has not been able to restrain the growth of spending. The top four entitlement programs are as of fiscal year 1994, to make that clear, No. 1, Social Security. Social Security in 1994 cost us around \$333 billion, and it is going up and everybody knows it. It is going up dramatically, and everybody knows it.

No. 2 is Medicare. When we first enacted it, those who argued for Medicare said it would be a relatively small cost. If I recall correctly, it was somewhere between \$10 and \$20 billion a year. It is now up to \$177 billion a year as of 1994. Of course, it is more this year, in fiscal year 1995.

So Social Security is \$333 billion. Medicare in 1994 was \$177 billion. Medicaid, which also was supposed to be a relatively low figure, to take care of people who really need help, who were low-income people, low-income seniors as well, and some who are persons with disabilities, now costs us, in 1994, \$96 billion.

Other retirement programs are entitlement programs costing us \$65 billion as of 1994. These big four, plus interest, will be about \$900 billion in 1995.

The point I am making is that about 400 programs cost us about \$50 billion. These four will cost us \$900 billion. And as you all know, they are going up.

Take Medicare. Medicare, at \$177 billion last year, if we keep going the way we are going, will be off the charts by

the year 2002. We are trying to restrain the growth, not cut Medicare, but restrain the growth from its current 10.4 percent approximately a year down to about 6.4 percent—above the rate of inflation, by the way. And already, because we have announced we are trying to restrain the growth of that entitlement program, some of the hospitals and others are trying to find ways of restraining the growth, just because we are saying it has to be done. Can you imagine if we pass legislation that says it has to be done? They are going to have to live within the 6.4, which is about 2½ percent above the inflation rate.

Some of our colleagues on the other side want the 10.4 to keep going on, which will eat this country alive. And I am going to make that point. And it is true of all of these big four entitlement programs. Let me just make the point. The big four entitlements, plus interest, were—

Ms. MOSELEY-BRAUN. Will the Senator yield?

Mr. HATCH. They were and they will be if we do not pass the balanced budget—

Ms. MOSELEY-BRAUN. Will the Senator yield just for 1 second?

Mr. HATCH. Sure.

Ms. MOSELEY-BRAUN. Is it not the case AFDC is not one of the top, one of big four entitlements?

Mr. HATCH. It is not. Neither will the Senator's amendment be, but it still is an entitlement program, and we need to stop doing entitlements. Let me make my point.

Ms. MOSELEY-BRAUN. Will the Senator yield? The Senator is including Social Security and Medicare and Medicaid.

Mr. HATCH. Including all entitlement programs to make this point, because it makes the point that we have to face the music someday. We cannot just keep entitling our runaway budget.

Now, we are going to continue Social Security the way it is. I do not think anybody here is going to change it. We are trying to make some changes in Medicare, maybe Medicaid. And I do not know of any changes in the retirement programs. But there is an effort to try to restrain the growth of runaway spending.

One of the reasons it has run away is an entitlement program—now, true, this would be one of the less than \$10 billion programs, although it would rapidly escalate as an entitlement program. I just make this one point. I am just trying to make this point on how entitlements are eating us alive and why as a principle we want to stop making things legislative entitlements.

The big four entitlement programs, plus interest, were 25 percent of total spending back in 1965—25 percent of total Federal spending. By 1975, they were 36 percent of total Federal spending. By fiscal year 1985, they were 47 percent of total Federal spending,

going up every year. By fiscal year 1995—this is just the big four, just the big four—Social Security, Medicaid, Medicare, and retirement—they will be almost 60 percent of the total Federal budget. And by fiscal year 2005, these entitlement programs will be almost 70 percent, not counting the 400 smaller entitlement programs that automatically will be going up themselves unless we put a lid on it and say we are not going to go the entitlement route anymore.

We know that Social Security is going to keep going up the way it is. We know that Medicare is going to go up dramatically even if we are successful in restraining the growth from 10.4 percent down to about 6.2, 6.4 percent—above inflation, by the way, is that figure. We know Medicaid is going to keep going up, and we know other retirement programs are going to keep going up. In fact, the 400 programs will keep going up unless we put some restraint of growth and unless we stop the entitlement nature of these programs and face the authorization and appropriations process every year as good legislators should.

I wanted to make that point because as sincere as the distinguished Senator from Illinois is, and I know she is, and as compassionate as she is—and I feel the same way—I think the bill has better language to take care of these problems with less problems than will arise if we enact her amendment. And the principle of stopping these entitlement programs to the extent we can ought to be observed.

That is why I suggest we have just got to bite the bullet around here and we have to do what is right. I have also made the point that there are other reasons why the amendment is one that should not be supported. The main reason is it is another entitlement program.

I understand we differ on whether it entitles recipients to bring litigation. But be that as it may, there is no time limit, no real time limit in this amendment because those who are deemed by the State as work ready will be able to insist on going to job training rather than taking a job. Then they can avoid working in the private sector, something we want to stop. We want people who are ready and able to work; to work. And that is what this bill is going to try to get done. I think it makes a valiant and very intelligent attempt to do so. And it should not be changed into another entitlement program.

I yield the floor.

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Ms. MOSELEY-BRAUN. Thank you, Mr. President.

The Senator from Utah and I find ourselves singing from the same choir book sometimes and other times singing on different pages. But certainly with regard to our need to balance our

budget and get our fiscal house in order, he and I could not be more in agreement.

We were on this floor together during the debate on the balanced budget amendment, both of us supporting moving in the direction of a balanced budget. But how one gets to a balanced budget, gets on a glidepath to some fiscal integrity—and fiscal integrity is as important as getting there. So the question becomes, what are our priorities and how will we approach the difficult issues as we are trying to get our fiscal house in order? How are we going to approach that task?

Let me suggest that we not do it on the backs of children and that we not target and single out poor people for our exercise in newfound frugality and our exercise in fiscal right thinking. The fact of the matter is—and let us talk about the numbers for a minute because it is very important. In the first instance, AFDC is not one of the big four entitlements. Those big four entitlements will be the topic of many upcoming floor discussions. I served as a member of the bipartisan commission on taxes and on entitlement and tax reform, and, yes, we have some serious and thorny issues to deal with. But AFDC is not one of those big four entitlements.

Indeed, in 1969, Aid to Families With Dependent Children took up some 3.1 percent of our Federal budget. In 1994 it had declined. I know this is counterintuitive. This does not comport with what the talk shows will tell you. But the reality is that the numbers showed it had declined to 1.1 percent of the budget. The fact of the matter is that over time the amount of AFDC payments have not kept up with inflation and have declined some 47 percent in the last 25 years.

And let me give you another fact that may sound counterintuitive. In 1993, the total cost-benefits, plus administration, Federal and State—Federal and State; this is everybody—the total cost was \$25.24 billion, which is an amount equivalent to 1.8 percent of Federal Government outlays. That is total, State and Federal. The Federal Government's share of AFDC costs came to \$13.79 billion in 1993, or 0.98 percent of total Federal outlays.

So what we are talking about is less than 1 percent of total Federal outlays that can have a devastating, devastating effect on the almost 10 million children in this country who receive assistance.

Again, my colleagues have argued that our efforts so far have not worked. And indeed, if anything, one of the more distressing and depressing charts—and I do not think I have a large version of this, Mr. President—but this one talks about the percentage of low-income children lifted out of poverty. It has got Sweden, 79.7 percent; Germany, 66.7 percent; the Netherlands, 73 percent; France 78.2 percent;

the United Kingdom 73.5 percent; Australia, 45.1 percent; Canada 40.8 percent; United States, 8.5 percent, under 10 percent.

We have done less with our wealth and the efforts that have been started to try to fix this situation and to address poverty and have barely gotten underway before we got into the debate about "getting rid of welfare as we know it." Here we are in a situation of saying, well, we have not come up with a magic potion or the silver bullet to deal with the issue of poverty, and so we are going to junk our commitment altogether.

All these amendments say—it does not say we are going to spend more money. In fact, the legislation has a ceiling on the amount of money that will be spent in this area. It does not say that anybody is entitled to stay on forever. In fact, if anything—again, the issue here—the legislation is time limited, may well have family caps, and it may have other kinds of limitation that the States will develop. All these amendments say is that when all is said and done, no child in these United States will be allowed to go without food, without shelter, without subsistence.

And it also then says, that is after the 10 million people, almost 10 million children, on assistance, receiving assistance, as to their 5 million parents, it says no parent will be kicked off for failing to meet a work requirement if the State has not lived by its own words in terms of supporting work.

I yield to the distinguished Senator from New York, Senator MOYNIHAN.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I rise with the most emphatic support of the amendment of the distinguished, learned Senator from Illinois, who brings to us the central subject of this legislation, which is children and what will happen to them under the provisions we are discussing.

I have two charts which I would like to suggest involves the central issue of the number of families that would be affected by a 5-year time limit. This is the work of the Urban Institute, established almost 30 years ago when it was thought we would address these issues at a time when they were—Franklin Roosevelt might have said it—"a cloud no bigger than a man's hand," that would come into the situation we are today of the number of families who would lose their benefits, who would see a 5-year time limit reach them.

In the year 2001, a total of 1.4 million families; make it almost 2 million, 2.5 million children. In 2002, 1.65; make that 3 million children.

This is the Urban Institute, Mr. President. This is not a political document. It is not one that is even touched by the necessary differences and tensions between the executive branch and the legislative branch. This is the Urban Institute, under William Gor-

ham, with whom I worked on the task force that produced the Economic Opportunity Act of 1965. Bill Gorham and I worked together. He never stopped working at this. He has created an institute of impeccable standards. No one will ever say that we have got the most perfect measuring systems, but we have peer review, we have measures of degrees of confidence in data. And the numbers are overwhelming.

In the year 2003, 1.8 million families; 2004, 1.9 million; 2005, 1.96 million—call it 2 million families, and call that 5 million children. The 2 million is an estimate; the 1.96 is exact. I am making a round number. Five million children with no provision for their support, with their support in some sense illegal—certainly not contemplated, certainly not desired by this legislation. Are we to believe that my friend from Utah, who is as compassionate and understanding a man, a member of our congregation 19 years ago on this subject—this is what has happened. And this is why it would happen and where it would happen. The numbers are startling.

The proportion of children receiving AFDC—I would like to bring this around so my friend can see it. My friend from Illinois has seen it in the past. This is what we are dealing with. Thirty years ago when the OEO legislation was adopted, when the Urban Institute was established, we were talking about numbers so small that you could say let them be done by church, let them be done by localities, let them be done by municipalities.

In Baltimore, MD, in the course of a year, 56 percent of all children receive AFDC. At any given moment, 43 percent are receiving it.

In Detroit, MI, in the course of a year, 67 percent, numbers that we have not contemplated. This is a time of continued economic prosperity, in the aftermath of a half-century in which we basically have managed the business cycle. We have had pockets of unemployment, but unemployment ranged at very comfortable levels. The level of employment is high.

In Los Angeles, 38 percent, Los Angeles, the setting of all those grand houses, remarkable neighborhoods, 38 percent.

Philadelphia, I do wish my friend from Pennsylvania were here so I could say to him, in Philadelphia, 57 percent of the children are on AFDC at some point during the course of a year.

In my own city of New York, 39 percent; New Orleans, 47 percent; Milwaukee, 53 percent; Memphis, 45 percent; Cleveland, 66 percent. These numbers overwhelm a social system. It cannot handle it.

Should we have ever gotten to this point? I do not say we should have. Should we have done more? Yes, we should have. Have we done some things? Yes, we have. We have certainly committed the Federal Government to this issue.

I was reading this morning the statement in the Washington Post by Judith

Gueron, president of Manpower Development Research Corp., as the Senator from Illinois well knows. She was saying, "Look, we are learning to do these things." She talked about Riverside, talked about Atlanta, talked about Grand Rapids, Family Support Act, jobs programs, working, getting hold, finally getting it.

The Senator will remember the director from Riverside, CA, where President Bush visited 3 years ago. There was a button: "Life works if you work," getting the sense that welfare offices should be employment offices. If only people had been a little more gracious to Frances Perkins, and if only Frances Perkins had been a little less willing to accommodate whatever President Roosevelt seemed to need at the time, the AFDC Program would be in the Department of Labor. The Social Security Act, with its retirement benefits, unemployment insurance, dependent children was to be in the Department of Labor, but there was the suspicion of labor, and such, and the underestimate of Mrs. Perkins' enormous ability. She said, "All right, we will have an independent agency." Had it not been, right now, when you walk into a welfare office, you would be in a U.S. Employment Service office, but it did not happen. But it is happening again.

The Daschle bill contemplated the first thing you do when you arrive at the welfare office is, how are we going to get you a job? But right now, not to see the enormity of this problem, the dimension of this problem, to think we can turn it back, cut it back and turn it back without huge costs to children is baffling to me.

I thank God the Senator from Illinois is here. I hope she will be heard, and if she is not, pray God for the children.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MOSELEY-BRAUN. Mr. President, since we have additional time left over, I would like to engage the Senator from New York, who is a world renowned expert in this area. He has spoken to the fundamental issues of, again, how we respond to poverty and, how it is necessary to take this conversation away from the hot buttons and the catchwords and talk a little bit about the demographic data that really underlie the reality of what we are doing here.

There is a social issue and an issue of policy and an issue, really, of the kind of country we are going to have.

So I raise with my colleague, who has studied these data, this issue, just this graph. I know he has seen this before.

Mr. MOYNIHAN. Yes.

Ms. MOSELEY-BRAUN. Percentage of low-income children lifted out of poverty. Our country, America, does so much worse, less well than others.

The PRESIDING OFFICER. Time has expired.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent for 5 minutes and that Senator MOYNIHAN might respond to the question.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Ms. MOSELEY-BRAUN. Mr. President, in the Senator's view, will the pending legislation resolve the disparity between the United States response to poverty vis-a-vis the other industrialized nations in the world?

Mr. MOYNIHAN. Mr. President, to respond to my friend from Illinois, I can only offer a judgment of a better part of a lifetime dealing with these matters, that it would make it hugely worse. We would be off that chart. We would be an anomaly among the developed nations of the world. We would be an object of disdain and disbelief. I can say no more.

I yield the floor.

Ms. MOSELEY-BRAUN. I thank the Senator very much. I will say a little more in response to that. We have an opportunity to provide a bottom line below which no child in America will be allowed to fall. I, therefore, ask my colleagues' support for the pending child voucher amendment, as well as the worker responsibility amendment.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I have listened to my friend from New York. I do not think there is anybody on this floor who has a greater background and knowledge in this area. So, naturally, I am very concerned about the statistics and facts that he has brought forward.

So I appreciate the efforts made by the distinguished Senator from Illinois. I would never ignore her remarks or those of my friend from New York, who, like I say, has as much knowledge and background in this area. We have to strengthen our budget and move toward a balanced budget, or no amount of money is going to be worth anything, because we will monetize the debt and, in the end, the dollar will go to zero. That is where we are headed if we do not do some intelligent things now.

These are tough choices. I believe that the approach Senator DOLE is taking is about as good as one as we can take at this time. I wish we could do more. The fact is that we have to find the dollars and be able to do more. We cannot lose sight of the fact that we are working toward a balanced budget.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MOSELEY-BRAUN. I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### AMENDMENT NO. 2473

Ms. MOSELEY-BRAUN. I ask unanimous consent that we proceed to the consideration of amendment No. 2473.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Ms. MOSELEY-BRAUN. Mr. President, I understand that this amendment has been accepted by the other side.

I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

So the amendment (No. 2473) was agreed to.

Ms. MOSELEY-BRAUN. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that on the table.

The motion to lay on the table was agreed to.

Ms. MOSELEY-BRAUN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAMS). Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, what is the current parliamentary status of the Senate?

The PRESIDING OFFICER. Amendments numbered 2471 and 2472 are currently pending, and all time for debate on those amendments has expired.

Mr. GRAHAM. Mr. President, is there unanimous consent for time for disposition of subsequent amendments?

The PRESIDING OFFICER. Under regular order, time has expired on these two amendments. The next amendment is the Graham-Bumpers amendment, and there is no time limit on that amendment.

Mr. GRAHAM. Thank you, Mr. President.

Mr. President, I ask unanimous consent that the two pending amendments be set aside for the purposes of considering amendment No. 2565.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Thank you, Mr. President.

#### AMENDMENT NO. 2565

Mr. GRAHAM. Mr. President, amendment No. 2565 has been sent to the desk pursuant to the filing requirement of last week.

Mr. President, this evening with my colleague Senator BUMPERS, we rise to offer an amendment to the pending amendment of Senator DOLE which would dramatically affect the fairness of the funding allocations to the States under this legislation. We describe our amendment as the children's fair share amendment.

Our approach is simple. We believe that the funding to the individual States, and therefore to their children, should be needs based. As a result of our formula, States would receive funding based on the number of poor children within that State in the particular year in which they received funding.

There are two modifications to that basic principle: that funds should be allocated where poor children are in the year of distribution. Recognizing the fact that this legislation imposes some very serious mandates on States, particularly in areas of preparing persons for work, and to be able to meet specific numerical goals for the percentage of welfare beneficiaries who are employed, we believe that there is a minimum amount of funds required for any State in order to meet those obligations. Therefore, we provide that no State will receive less than either 0.6 percent of the national allocation, or twice the actual amount of that State's 1994 expenditure level, whichever is less. That will assure that all States will have a basic amount of funds in order to discharge their responsibility.

The second principal modification from the pure principle of allocating funds where poor children are located is that all States, except those covered by the small State allocation, will be subject to a transitional period by which their increases in funding in any year would be limited to no more than 50-percent of what they had received in fiscal year 1994 for fiscal year 1996, or no more than a 50-percent increase in fiscal year 1997 over what they received in 1996 and so forth. The purpose of this is to provide for a 4-year transition period in order to get to the goal of parity for all poor children in America.

The savings from this allocation of increased ceiling would exceed that for the small State minimum allocation. The net effect of these adjustments would be reallocated among the States which receive less than their 1994 actual expenditure.

Any formula allocation should be guided by some underlying principles and policy justifications. One fundamental principle of the Federal Government allocating money to its citizens through the States should be fairness—fairness to America's children, fairness to the States, and fairness to the Nation.

There is another principle which should be applicable in this legislation; that is, will the distribution of funds allow the fundamental objective of the legislation to be attained? The objective of this legislation is to facilitate



the movement of welfare beneficiaries from dependency to independence through work. Will the funds as allocated to the 50 States, and available to them in order to meet that objective, be equitable? If we are going to a block grant, welfare we must be very careful that these principles, particularly the principle of fairness, fairness to children, is met.

The General Accounting Office noted in its report of February 1995 entitled "Block Grants: Characteristics, Experience, and Lessons Learned," that "because initial funding allocations used in current block grants were based on prior categorical grants, they were not necessarily equitable."

Senator BUMPERS and I propose a funding formula that would clearly meet the following principles: block grant funding should reflect need or the number of persons in the individual States who require assistance. The principle No. 1 of a block grant program should be to reflect need or the number of persons in the individual States requiring assistance.

A second principle of block grants should be that a State's access to Federal funding should increase if the number of persons in need of assistance increases and decrease if the number of persons requiring assistance declines.

Third, States should not be permanently disadvantaged based upon policy choices and circumstances which were prevalent in years prior to the block grant.

And fourth, if requirements and penalties and public ridicule are to be imposed upon States, as I envisage will be the case with the bill of Senator DOLE, then fairness dictates that all States have an equitable and reasonable chance of reaching those goals.

If I might comment about public ridicule, one of the provisions in the original version of this legislation—and I believe that it is retained in the modified version—is that there will be periodic evaluations of how the 50 States are conducting their business under a reformed welfare.

States will be ranked assumedly from 1 to 50 as to how well they are doing in terms of achieving the objectives of moving people from dependence to independence. Yet, we are going to be saying to some States you start this process, as with Mississippi, with \$331 per year per poor child in your State, another State will start this process with \$3,248 per poor child per year. And yet we are going to publish a report analogous to an Associated Press rating of football teams how well each State did in meeting the directives, the mandates, the goals of this legislation. It would be as if one State was able to field a fully professional team and another State had to find a group of junior high school beginners to play this game. Yet, they are both going to be subject to the same evaluation. That is the public ridicule I suggest is going to be a consequence of this inequitable funding formula.

The test by which States should be evaluated would seem reasonable. In sharp contrast, the amendment as offered by Senator DOLE fails to meet any and every test of fairness of a block grant. In fact, the formula used in the Dole amendment would perpetuate the inequities of the status quo.

What are some of the problems with the amendment that is before us as offered by Senator DOLE? The authors of the leadership proposal have failed to learn the lessons cited by the General Accounting Office and other experts who have examined block grants. They have chosen to distribute welfare funds to States well into the future based on fiscal year 1994 allocations.

Ironically, in the name of change and in the name of reform, we are locking in past inequities in distribution of Federal funds. We are repackaging them as block grants. We are punting welfare to the States and failing to take into account future population or economic changes among the States and failing to give the States an opportunity within a reasonable period of time to achieve parity and equity in the treatment of the poor children within those States.

By allocating future spending on the basis of 1994 allocation, the Dole bill fails to distribute money based on any measure of current or future need. It fails to account for population growth and economic changes. It would permanently disadvantage States well into the future based on choices and circumstances made in the past. And it would unfairly impose penalties on States. The Dole allocation is essentially based on the status quo.

How was the status quo arrived at? How did we end up with a system in which one State gets \$3,248 per year per poor child and another State gets \$331?

The answer is that we had a system which had as one of its principal objectives to encourage those States that were able, capable and willing to invest substantial amounts of funds in their cash assistance to welfare beneficiary programs. Since we are in a nation which, unfortunately, has huge disparities in capability as well as in political will from State to State, we have ended up with huge disparities in terms of Federal funds for poor children. The basic formula has been that for every dollar a State would put up, there would be a Federal match.

For the most affluent States, the matching rate is 50-50—a dollar from the State draws down a dollar from the Federal Government. For States that are less affluent, they have a somewhat richer matching rate, going all the way up to the poorest State being able to get 83 Federal dollars for every 17 State dollars. And based on that formula we have ended up with a situation as it was in 1994 and as it is almost proposed to be continued into the indefinite future.

One other modification has been made to that, however, Mr. President, and that is that a group of some 19

States which had the characteristics of either growing at a rate faster than the Nation as a whole—and there are some 17 States that met that standard—or States which were more than 35 percent below the average of the Nation in terms of funds per poor individual received a bonus and that bonus is 2.5 percent growth beginning in the third year of this 5-year plan.

So beginning in the third year, if you have been receiving \$100 million, you got \$102.5 million, and a similar 2.5-percent adjustment in the fourth and the fifth year. That adjustment distributes approximately \$800 to \$900 million over the 5-year period, concentrated in the third, fourth and fifth year of the 5-year period.

The status quo plan, the plan that is based on funds as they were distributed in 1994, will distribute approximately \$85 billion over that same 5-year period. So the amount of funds that are intended to represent poverty and growth are a pittance compared to the enormous amount of money that is going to be invested in continuing the status quo as it was in 1994.

The consequence of this allocation is this map that is called "Children's Fair Share Allocations." The States in red on this map benefit by using a formula based on status quo and the modest adjustment which I have indicated. The States in yellow are the loser States in that allocation and, conversely, would benefit if the funds were distributed on the basis of where poor children in America live.

Mr. President, the current proposal before us, the formula of Senator DOLE, would result in extreme disparity between States in Federal funding for poor children. For example, Mississippi would receive \$331 per child in 1996 compared to an affluent northeastern State's \$2,036 per poor child.

Let me repeat that. Mississippi, \$331; an affluent Northeast State, \$2,036; an affluent far Northwestern State, \$3,248.

In effect, those affluent States would receive six times or more funding per poor child than the poor State of Mississippi. Even under the formula of Senator DOLE, Massachusetts—another affluent Northeastern State—would receive \$2,177 per poor child. If you combine the per child total from five other States—you combine the amount that a poor child in Alabama, in Arkansas, in Louisiana, in South Carolina, and in Texas, if you combine what those children would receive in a year—that total would not equal what a poor child, a single poor child in Massachusetts would get in a single year.

To state it another way, the Federal Government effectively values poor children of that affluent State five times more than it does the children of Alabama, Arkansas, Louisiana, South Carolina, and Texas. There is no justification for poor children to be treated with less or more value by the Federal Government depending on the State in which they happen to live.



The proponents of the Dole formula will argue that some States will qualify for the 2.5 percent adjustment in the bill to address these disparities. However, a sizable number of States that are not treated fairly under the current system would receive zero remedy from the limited, inadequate 2.5 percent adjustment feature. Those States which would get zero remedy from the 2.5 percent adjustment include Kentucky, Oklahoma, Indiana, Illinois, Missouri, Nebraska, West Virginia, Kansas, and North Dakota. All of those States are well below average Federal funding per poor child, yet would get no benefit from the proposed remedy.

Moreover, even for those who do qualify, the adjustment is marginal and may fail to treat all poor children equally. Let me use as an example again Mississippi. How long will it take under the 2.5 percent formula for Mississippi to come up to the average of the country in terms of funds available per poor child? Will it take 10 years, will it take 20 years, 30 years, 40 years, 50 years, 60 years, 70, 80, 90? No. It will take 100 years for Mississippi to go from its current \$331 per poor child to reach the average of the Nation at 2.5 percent a year.

How long will it take for Mississippi to reach the level of an affluent Northeastern State? It happens to come out historically and somewhat ironically that it will take 206 years for Mississippi to reach the same level as the affluent Northeastern State. That happens, Mr. President, to be the same number of years looking backward to the signing of the U.S. Constitution. So Mississippi could look forward to all of the generations and all of the historical changes that have occurred since this great Nation was established. All of that would have to elapse again before Mississippi, under this formula, would reach the parity of an affluent Northeastern State.

In contrast, the amendment as offered by Senator BUMPERS and myself would eliminate these disparities in less than 4 years. Mr. President, if we are going to have a serious debate, let us have a debate over how many years should we allow ourselves to eliminate this unfairness. Is 4 years too hurried a time for equality? Is 100 years adequate time to achieve the equality? I believe that we ought to have as a principle that all poor children in America have equal value and that we should move as expeditiously as possible to put that principle into our law.

These disparities in State-to-State funding have real consequences on the lives of children. These are not just accounting or statistical issues. These 5 and 6 and more to 1 disparities have in the past and will continue to have real human consequences. The State of Washington, for example, received \$2,340 per poor child in 1994, \$2,340 compared to \$393 per poor child in South Carolina, almost a 600 percent difference.

Should we be surprised that there are tremendous outcome differences? The State of Washington's children rank seventh and sixth in rankings of infant mortality and percentage of children in poverty. The State of Washington's children ranked 12th overall in the children's well-being index as established by the Casey Foundation. Meanwhile, South Carolina with one-sixth the funding per poor child ranks 48th among the States in infant mortality, 45th in the percentage of children in poverty, and ranks 46th in the children's well-being index.

It will be the height of irony, if not hypocrisy, to change our welfare system and not address this cruel disparity. When people ask, is the welfare system broken? the answer is almost universally, yes. And what is one of the key elements of a broken system? It is the fact that we have tolerated for too long a system that has resulted in these extreme disparities in the treatment of children and the consequence on the children in their ability to grow up healthy, strong, educable, and productive citizens.

But these are not the end of the list of adverse consequences of the amendment as offered by Senator DOLE in terms of how to allocate funds. Locking in historical spending will also lock into place inefficiencies of the status quo, the very status quo that we are supposedly reforming in this legislation. In 1994, the national average monthly administrative expense per welfare case was \$53.42—\$53.42. New York and New Jersey, however, had administrative costs exceeding \$100 per welfare case, almost twice the national average, eight times the average of West Virginia, which administered its program for \$13.24 per welfare case. Those States with higher administrative costs in fiscal year 1994 would receive block grant amounts reflecting their higher fiscal year 1994 costs for the next 5 years, whether or not those costs are justified.

This formula fails to take into account demographic and economic accounts. Initial disparities locked in by the Dole approach would actually intensify as a result of the different rates of anticipated population growth through the end of the decade. Between 1995 and the year 2000, 10 States are projected by the U.S. Census Bureau to grow by at least 8 percent. Eight States are projected to grow less than 1 percent or experience a population decline. Among the fastest growing 25 States, the top half, 17 of those growth States would receive initial welfare allocations below the national per poor child average. Seventeen of the twenty-five fastest growing States start this process at below the national average.

Thirty Senators, including the Senators from Texas and both Senators from my State, raised this issue in a May 23 letter to the Finance Committee chairman, in which we stated: "Block grant funding would be locked in, in spite of rapidly changing pat-

terns of need. This disconnect between need and funding would produce devastating results over a 5-year period."

Proponents of the Dole formula would argue that some States will qualify for the 2.5 percent annual adjustments beginning in the third year to address population growth. However, six growing States—Washington, Alaska, Hawaii, Oregon, California, and Delaware—all fail to qualify for the adjustment despite projected above-average population growth.

Moreover, even with the 2.5 percent adjustment, Texas would only receive \$445 per poor child in the year 2000, and 27 percent of the \$1,600 per poor child in Connecticut, which that State would receive despite the fact that its population is projected to decline between 1995 and the year 2000.

So a State whose population is going up, a State which entered this process as one of the lowest in terms of funds for poor children, would be even further disadvantaged, while a State which entered the process at a relatively high level with a declining population of poor children would be further advantaged.

Another difficulty with the legislation before us, Mr. President, is that under the proposal, States that receive less than their fair share of funding per poor child are most likely to be penalized with a 5-percent reduction in their funding for failure to meet the bill's work requirement. To meet the work standards in the bill, States would be mandated to spend large chunks of their Federal funds for job training and for child care.

According to estimates by the Department of Health and Human Services, the additional cost of the work program and the associated child care needs would absorb more than \$8 out of \$10 of Federal allocations to Mississippi, Louisiana, Tennessee, and Texas; that over 80 percent of the Federal funds from those States would go to meet the new Federal mandates in work requirements and child care.

But, again, we see wide disparities. In California, New York, Oregon, and Wisconsin, less than 4 out of 10 Federal welfare dollars would be subject to the Federal mandates under this bill; that is, those States would be able to meet the same mandates by using less than 40 percent of their Federal money, while the poor States would have to use over 80 percent of their Federal funds in order to come into compliance.

Washington would tell the States that they have to spend block grants on job training and child care or face 5-percent penalties for failure to meet the work requirements. For States facing sanctions, the States would receive vastly different amounts of support to reach a common goal. That, Mr. President, is patently unfair.

I might add that some of the States that are treated the most unfairly under this bill are represented by Senators on both sides of the aisle who

joined in that letter to the chairman of the Finance Committee.

If I could just put this in the context of my State and in the context of what it is going to mean in the lives of real children, in my State, a family on aid to families with dependent children, which is typically composed of a single female and two children, receives \$303 per month; \$303 is their current allocation. Fifty-five percent of that comes from the Federal Government; 45 percent, State funds. That means that Federal funds represent approximately \$168 or \$169 of the \$303 that is being required.

Under the proposal, 63 percent of the Federal money in my State of Florida would be required to meet the mandates of job training and child care; 63 percent would be required, which means, Mr. President, that less than 40 percent of that \$168 is going to continue to be available to meet the economic needs of children.

It is that 40 percent, plus the \$135 that comes from the State, that buys the clothing, that pays the light bill, that pays the rent, that provides whatever transportation costs, that meets their health care needs that are not covered by Medicaid. Think in your own life experiences of meeting all of those needs on \$303 a month. You would also qualify for \$304 a month in food stamps to cover your food budget. But think of what it would mean to live at that level and then to see your \$303 monthly stipend reduced to \$198, which is what is going to happen with the mandates on child care and on work training, and that assumes that the State will continue to maintain its current level of effort.

Just a few hours ago, we defeated an amendment that would have required a maintenance-of-State effort. So that is speculative as to whether, in the case of my State or any other State, there will be a continued maintenance of effort, which would keep the level of monthly support at the \$198 level, not the \$303 level which is currently available.

Another factor, Mr. President, is that a wrong decision made today is not a decision likely to be reversed. The history is that once a funding formula is adopted, there will be great difficulty, if not impossibility, of future change. Example after example can be cited of block grants which are being allocated today because of funding decisions in the past, often decisions which are historic and irrelevant to needs today.

The General Accounting Office notes that, for instance, under the maternal child health block grant, funds continue to be distributed primarily on the basis of funds received in the fiscal year 1981 under the previous categorical program. A program in 1995 is distributing funds based on a preexistent categorical program of 1981.

I am concerned that our successors would be looking back from the perspective of the year 2015 wondering why we are distributing a significant

amount of Federal funds for block grants to States to meet the needs of poor children based on a categorical program of 1981.

The General Accounting Office proceeds by saying:

Only when the funding exceeds the amounts appropriated in fiscal year 1983 are additional funds allocated in proportion to the number of persons under the age 18 that are in poverty. We found that economic and demographic changes are not adequately reflected in the current allocation resulting in problems of equity.

As Ronald Reagan might have said: *Deja vu, there we go again.*

Mr. President, I want to conclude with two final comments. One looks forward and one looks back. The debate that we are having today foreshadows a much larger debate that we are likely to have on Medicaid. More than \$4 of every \$10 that Washington sends State governments are Medicaid dollars. This is the program that provides medical assistance to the poor, elderly, disabled, and poor children and their families. Medicaid is nearly five times larger in terms of its Federal role than welfare; \$81 billion were distributed last year as opposed to \$17 billion distributed in welfare reform.

We are already hearing that if the policy is adopted of using essentially the status quo as the basis of distributing welfare funds, that that will establish the precedent for how we should distribute Medicaid funds; that by locking in past spending patterns and inequities in this program, we are setting the precedent for the much larger Medicaid Program.

Again, remember my previous point: Block grants, once established, have proven to be highly resistant to subsequent change.

Finally, Mr. President, to look back. I say this with sadness but also with candor. This Congress has been faced over the past several years with a number of major challenges.

Examples: In the early eighties, we were faced with the challenge of reforming our financial institutions. A number of pieces of legislation were adopted with that as their intention. Unfortunately, less than a decade later, we were back passing further legislation to deal with it with the calamity of our financial institutions which have largely been occasioned by our earlier actions.

In 1986, we passed what was supposed to be major tax reform, intended to simplify the Internal Revenue Code. Today, there is so much public dismay at the complexity of the Internal Revenue Code that we are talking about a complete repeal of the income tax and the substitution of a consumption tax, or a flat tax, or some other basic new approach to domestic revenue procurement.

In the mid-1980's, we passed a catastrophic health care bill that was intended to deal with some of the inadequacies in Medicare. Within less than 2 years, we repealed the bill that we

passed, and now we are back looking at Medicare reform again, but no longer looking at legislation to fill the gaps of the program, but rather to add new gaping holes to Medicare and new expense to the beneficiaries.

Mr. President, I suggest that all of those past precedents have something in common; that is, we allowed the theory of how things were going to work to get ahead of common sense and practicality as to how things would work. We, I fear, are about to make the same mistake again.

I will state, with no doubt of the correctness of history in this statement, that a plan which is as fundamentally unfair in the distribution of funds as this which is before us today—a plan which so fundamentally mistreats two-thirds of the States of this Nation, in terms of their ability to achieve the goal of facilitating the movement of welfare-dependent individuals to the independence of work, that a plan that has those kinds of imperfections embedded in its basic allocation of funds to achieve its purpose, will fail. And we will be subjected to more public animosity toward this institution for failure to have carried out our task in a craftsmanlike manner.

The public will continue to be outraged at what it sees as the abuse of people who are living on a public system without contributing to the betterment of the public. We will continue to see poor children start their lives with the extreme disparities that exist today. We will see this institution held in even more public disrespect because of our inability to deal intelligently, thoughtfully, rationally, with an important national chapter. We are dealing here with fundamental fairness. The proposal before us fails to meet that standard.

Senator BUMPERS and I, joined by our other colleague, the Senator from Nevada, have provided to the Senate an alternative which will meet the goal of treating poor children in America as they should be treated—each with equal worth and dignity.

I urge the adoption of the children's fair share amendment.

Thank you, Mr. President.

Mr. MOYNIHAN. Mr. President, it was our informal understanding—we have no time agreement—that we would alternate from one side of the aisle to the other.

Mr. BUMPERS. I have no problem with that. I think the Senator from Texas wishes to speak.

Mrs. HUTCHISON. Mr. President, I would be happy to let Senator BUMPERS proceed. I do not mind waiting. I am going to be here anyway.

Mr. BUMPERS. Does the Senator from New York wish to speak at this time?

Mr. MOYNIHAN. No. The Senator from New York is awaiting with great expectation the remarks of the Senator from Arkansas.

Mr. BUMPERS. I am immensely flattered, Mr. President.

Mr. President, when I first came to the Senate we had some great people here: Hubert Humphrey, Abe Ribicoff, Jacob Javits, John Pastore, Scoop Jackson, Ed Muskie—truly great men, great Senators who believed in the theory of enlightened self-interest, who believed in governing.

Hubert Humphrey used to make a great speech, and he said, "This will never be a great place for any of us to live until it is a good place for all of us to live." I agree totally with that statement. As I think of those words and the author, I cannot help but wonder what Hubert Humphrey would think about a bill that said, "If you are rich and affluent, we will make you more affluent; and if you are poor, we will punish you and make sure those in poverty stay in poverty."

Well, even the people in the U.S. Senate would take strong exception to that if they believed that was our philosophy or that was what we were about to do.

Mr. President, that is exactly what this bill does. Senator GRAHAM has covered just about everything that needs to be covered. As Mo Udall used to say, "Everything that needs to be said has been said, but everybody has not said it." So while I know that much of what I have to say will be repetitious of what my good friend, and the real author of this amendment, the Senator from Florida, has said, it bears repeating to make sure that the all Senators understand what they are voting on.

In 1994, the AFDC formula allowed the following: If the States want to add more money to their AFDC program, the Federal Government will match it dollar for dollar. So what is the result? The result is the same as it has been for years under this formula. The "haves," the affluent States, put more money into AFDC, so they get more money. If they add \$100 per child per year, the Federal Government gives them another \$100. That whole concept is flawed, totally, fatally flawed, because what it says is, "If you are wealthy, we will make you wealthier, and if you are poor, we will make you poorer."

(Ms. SNOWE assumed the Chair.)

Mr. BUMPERS. Madam President, everybody knows that this amendment is a fair proposition. What Senator GRAHAM and I are suggesting is that we divide all the money in the pot by the number of poor children in the country and we allocate it to the States based on the number of poor children each State has. For example, if we had 10 million poor children in the country, we would divide the total pot of money by 10 million and that amount would be paid to each State for every poor child in that State.

Madam President, the problem Senator GRAHAM and I are trying to solve is a result of the formula we've used for the AFDC Program since its inception. Under that formula, the more affluent States have, over a period of years, received the lion's share of the Federal

money because they were able to put more State money in the program, and we were matching it.

On the face of it, we should applaud States that have tried to improve and do better for themselves. But we should not penalize those who are not affluent and who could not put more money in.

Think about this for a moment. I want Members to think about this. I have good friends in this body from States who make off like bandits under the Dole bill.

Just take the State of Rhode Island. We have two fine Senators, my dear friends from Rhode Island, but I do not believe either Senator from Rhode Island would say they believe that a poor child in Rhode Island is worth \$2,244 a year, but a poor child in my home State of Arkansas is worth only \$394. What in the name of all that is good and holy are we thinking about here?

All my life I have had to say I come from a poor State. I hate to say that. But I have always believed that being upfront and candid about your own plight is good for the soul and good for understanding.

I cannot believe that we are about to pass a bill that allows New York, for example, to get \$2,036 for every single poor child on AFDC, and my State \$394. They get five times more than my State. If this were State money I would not squawk. But it is not. It is Federal money out of the U.S. Treasury, and we are saying that if you come from an affluent State which has been able to put more and more into the program, and we have matched it more and more as you put more in, you will benefit permanently. We are looking at a gross inequity and we are ratifying it. We are institutionalizing it for all time to come. States like New York, the home of my very good friend and ranking member on the Finance Committee, will always do very well under the Dole formula.

The Dole formula claims to correct these inequities over time. For example, if my home State of Arkansas goes below 35 percent of the national average for concentration of poverty, the Dole formula provides a little honey pot from which the State can get a 2.5-percent bonus. How that warms the cockles of my heart.

If my State gets that 2.5-percent bonus it will only take us 84 years to reach the national average. And it will only take us 177 years to catch up to New York. If I thought I would live to see that, I might favor it. Unhappily, I will not be around.

Sometimes as I get steamed up making these speeches on the floor I get to thinking, am I living in a loony bin? Is this actually going on? Is it happening? And often the answer is yes.

If you want to take all this Federal money and give it to every poor child in America on an equal basis under the proposition that a poor child in Mississippi, Alabama, Texas, North Dakota is worth as much as a poor child anywhere, count me in. And then if the State wants to enrich that, let them.

They have a right to do that, even though, Madam President, school districts all over America are being ordered by the Federal courts to equalize their school expenditures among the poor districts as well to bring them up to par with the more affluent districts.

If you come from an affluent school district in my State you get voice, glee club, debate. You get field trips, you get everything, because the people in that district are more affluent and the more affluent they are, the more advantages and opportunities they want their children to have. So they vote for higher taxes to support those programs.

Then you take some poor school in the Mississippi Delta. I do not care how hard they try. I do not care how much they stretch out. I do not care how much they sacrifice. They can never, never reach the affluence of the more prosperous school districts. So the courts are saying nowadays, you cannot do that anymore, you have to equalize these State funds.

This bill says that in the very first year, a State has to get 25 percent of the people on the rolls into the work force. I am going to say women, rather than people, because the adults in this program are almost exclusively single mothers with children. I do not say this to be sexist. I say it because that is the way it is.

This bill says to each State, New York and Arkansas alike, that during the first year, 25 percent of these women must enter the work force, and, if they do not, we are going to penalize them by reducing the amount of their block grant. By how much? Up to 5 percent.

I want you to think about the lunacy of that provision. They say: Get these women into the work force. But there is not enough money in the bill for child care, even if there were jobs available and women wanting to take them. There is not enough money in this bill to provide the kind of child care you would have to have to even come close to getting 25 percent of these women into the work force.

I do not want to stray too far afield, but the Senator from New York was quoted in the paper the other day with a magnificent statement. Ten years from now, more and more thousands of children are going to be sleeping on the grates in this country. This bill is a veritable assault on the children of this country. I wonder where some of these people who purport to have these great family values and Christian beliefs are when we are debating things like this? Why do they not sense the inequities of this? Why do they not understand that millions of children who have little chance now are going to have much less chance in the future when this bill becomes law?

You think about West Virginia, with an administrative cost of \$13.34 per caseload per year. I am sorry the senior Senator or junior Senator from West Virginia are not here to hear me laud

and commend their State for their very low administrative costs in the present AFDC Program. I did not get a chance to check it in my State, but I know our average is in that vicinity. The national average is \$56, and in some States it is as high as \$106. Under this bill we are rewarding those States with high administrative costs. We are rewarding States that have a \$106 administrative expense and punishing the State of West Virginia for being good stewards over the administration of their funds.

Madam President, every year for 5 years—you have to get 25 percent of the women off the rolls the first year, the next year you have to have 5 percent more, the next year 5 percent more, until, in 5 years, 50 percent of these people are off the rolls. On a point that is not relevant to this amendment, I submit to you that 20 percent of the people on AFDC today are incapable of either finding or holding a job. What happens to them?

One morning one of my sons came home. I have to tell you, all my children are pretty liberal when it comes to poor people. They have good values. I am immensely proud of every one of them. My son, who practices law downtown in Washington, DC, said, "Dad, I wish you would go with me in the morning. Our firm is in charge of feeding the homeless people in the morning."

"Where?"

"A project called SOME. So Others May Eat. I think it will be good for your soul."

It was nearing Christmas. My daughter, who was in school in New York, was home for Christmas. We all went. The temperature was 28 degrees, and 400 men and 2 women were standing outside waiting for the dining room to open. So I flipped pancakes for 3 hours—the best day's work I ever did. Then I went around, just like I would at a political rally, talking to these men. "Where do you come from?"

I found that one-third of them had jobs. About a third of them had a drug habit. And a third of them were essentially dysfunctional, they could not hold a job. And being dysfunctional is not peculiar to men, it is also true of women, and a lot of women on AFDC today cannot and will never take, or be able to hold, a job. What happens to them? If the goal is to get everybody off the rolls, how on Earth are you going to do it?

Senator GRAHAM made a very salient point a moment ago about some States trying to meet their mandates. They have nothing left after they meet the mandates. I think he said in Florida, 63 percent of the funds that Florida will get will go to meet the mandates and what is left will go out in AFDC grants. In my State it is almost 80 percent, which means when we meet the mandates of this bill, we will have \$40 a year per child to hand out.

The most cruel among us may say, "Well, you have food stamps on top of

that." Food stamps will not pay the electric bill. Food stamps will not pay for a child's medical care, for housing, or for his clothing. I cannot believe how callous and indifferent we are to the least among us.

I started off mentioning de Tocqueville. I never tire of talking about him. He talked about enlightened self-interest. That is a very simple proposition that has governed my entire life. The principles I learned in Sunday school in the Methodist Church and the principle of enlightened self-interest that I learned from reading "Democracy In America" have governed my life, and that is where my values come from.

And what does it mean? It means that when some poor soul is reaching for the first rung on the ladder and you are on the top rung, you do not step on his hands. You reach down and take his hand and you pull him up. You pull him up because it makes him a better citizen, it makes the country a better country, and it makes me a better person.

How could anybody quarrel with those three principles, all of which are unassailable? So that is what is wrong with this bill. We are reaching out and giving a hand to some and we are stepping on the hands of millions who did not have a dog's chance to begin with and will have even less.

Madam President, I could not vote for this bill. I will never vote for a bill that includes so many things I deplore in this country. I might also say I would hate to have to go home and explain to my folks why I voted for a bill that uses their tax dollars and sends back to them only \$394 for each poor child at the same time it sends the State of California \$1,716. You can use all the sophistry in the world. You can use every kind of convoluted argument in the world to try to defend this. It is indefensible.

So, Madam President, I am honored to join my good friends and colleagues, Senator GRAHAM and Senator BRYAN, in trying to bring some sense and sanity to this bill. There are a lot of things about this bill I do not like. I would have a very difficult time voting for this bill even if this amendment was agreed to. I am not terribly worried about that.

But, for the life of me, when you look at that map and you see the States that are helped and the States that are hurt under this amendment—which simply says divide the pot of money by the number of poor children in this country and send it out to them on a per capita basis—you cannot improve on that. So I am hoping when the rollcall is up on this amendment, people will look at that chart and realize we are not talking about State money; we are talking about Federal taxpayers' money. We are distributing it in the most unkind, most unfair way I can imagine.

I yield the floor.

# ORDERS FOR WEDNESDAY, SEPTEMBER 12, 1995

Mrs. HUTCHISON. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m. on Wednesday, September 13, 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I further ask unanimous consent that at 9 a.m. the Senate resume consideration of H.R. 4, the welfare bill, and there be 10 minutes for debate on the Moseley-Braun amendment No. 2471, to be followed by a vote on or in relation to the Moseley-Braun amendment No. 2471.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I further ask unanimous consent that following the disposition of the Moseley-Braun amendment, the Senate proceed to 4 minutes for debate, equally divided in the usual form, on the second amendment, No. 2472, to be followed by a vote on or in relation to that amendment, with that rollcall vote limited to 10 minutes in length.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I further ask unanimous consent that following the disposition of the second Moseley-Braun amendment, there be 20 minutes for debate, equally divided in the usual form, on the Graham amendment No. 2565, to be followed by a vote on or in relation to that amendment, with that rollcall vote limited to 10 minutes in length.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I further ask unanimous consent that following the disposition of the Graham amendment, there be 10 minutes for debate, to be equally divided between Senators DOMENICI and GRAMM on the Domenici amendment No. 2575, to be followed by a vote on or in relation to that amendment, and the rollcall vote be limited to 10 minutes in length.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I further ask unanimous consent that the same parameters as outlined regarding the Domenici amendment apply with respect to debate time in the usual form, voting option, and length of rollcall votes to the following additional amendments: Daschle, No. 2672; Daschle, No. 2671; DeWine, No. 2518; Mikulski, No. 2668; Faircloth, No. 2608; and Boxer, No. 2592.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. Madam President, no further votes will be held tonight because of these unanimous consents, and Members are reminded there will be 10 rollcall votes beginning at 9:10 a.m. with a few minutes in between each vote.

The PRESIDING OFFICER. Without objection, it is so ordered.